N.B. Advisory Council on the Status of Women
Conseil consultatif sur la condition de la femme du N.-B.

EXECUTIVE SUMMARY

OF

WOMEN AND FINANCIAL ASSISTANCE

IN NEW BRUNSWICK

A PRELIMINARY STUDY

A BRIEF PREPARED BY

THE NEW BRUNSWICK ADVISORY COUNCIL

ON THE STATUS OF WOMEN

JANUARY 1988

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1. INTRODUCTION

The aim of the brief is limited to exploring selected aspects of living on financial assistance that women have brought to our attention, and to make relevant recommendations.

The brief first deals with the literature on women and poverty. It then goes on to provide an overview of the system of financial assistance provision in New Brunswick and characteristics of women on financial assistance. Finally, the following aspects of social welfare policy in New Brunswick are dealt with: the financial assistance rates and their relation to family budgeting; the issue of "man-in-the-house legislation"; and women's knowledge of the system of financial assistance provision in the province.

2. SUMMARY OF FINDINGS

Concerning Women and Poverty

> " Poverty in Canada today does indeed have the face of a woman, and <u>feminization</u> is poverty's outstanding feature. "
>
> (Report of the Canadian Council on Social Development, 1984)

- The <u>feminization of poverty</u> is the process by which female-headed families become an increasing proportion of the low income or poverty population. Considering all Canadian women together, the one common element distinguishing the poor is that they do not have a man to support them. Thus there is a strong relationship between a woman's family status and the likelihood of living in poverty.

- In New Brunswick, women earn half of what men earn, are concentrated in clerical, sales and service occupational groups, and make up a large percentage of the part-time labour force. They are therefore ill-prepared for economic independence. Yet the female single parent family is the fastest growing type of family in the province and in Canada.

- In a recent survey commissioned by the New Brunswick Advisory Council, women in New Brunswick expressed an overwhelming concern for their economic situation and for employment opportunities. These concerns are well-grounded. The feminization of poverty is no less serious in New Brunswick than elsewhere.

Concerning Women on Financial Assistance in New Brunswick

- The precarious economic position of New Brunswick women is reflected in the make-up of the province's financial assistance cases. Ninety-two per cent of female-headed units are classified as either single person or single parent, compared to 65% of male-headed units.

- Single parent families, which are largely headed by women, make up only 18% of all New Brunswick families with children at home. However, they make up almost 67% of such families in receipt of financial assistance. There are more than twice as many single parent families on financial assistance in New Brunswick than two-parent families.

Concerning Basic Needs and Financial Assistance

> "When you pay 70% of your revenue on housing, you have two choices - you can eat or you can heat."
>
> (Participant at the Moncton Pre-conference on Housing, March 15, 1987)

- Poverty lines, developed by Statistics Canada, are set at levels where, on average, 58.5 per cent of income is spent on the basic necessities of food, clothing and shelter. (The average Canadian family spends 38.5 per cent on these essentials.) Poverty lines vary according to family size and population of area of residence. Any family or single person with an income below the relevant poverty line for the area where they live is considered to have a low income.

- The basic rates of financial assistance in New Brunswick, which are meant to provide for food, clothing, shelter and basic transportation, can range from 22% to 61% of the poverty line, depending on family size and financial assistance program.

- The average New Brunswick financial assistance client in the rental market spends at least 65% of their income on rent alone. They are therefore very likely to be rendered part of the "relative homeless", as defined by the United Nations, due to the combined effect of low fixed income and lack of affordable housing. The Canada Mortgage and Housing Corporation considers that families who spend 30% or more of their income on shelter costs are in crisis.

- Data from Agriculture Canada on the cost of a "nutritious food basket" demonstrate that families who spend 65% of their income on rent cannot feed themselves nutritiously. Testimonies of New Brunswick women on financial assistance demonstrate the personal hardships faced under these conditions.

- Women living in social housing projects often face problems of unsuitable environments for children because of lack of play areas, concentrating people in crisis together, and social stigma. In the private rental market landlords may refuse to rent to women on financial assistance, especially if they have children.

- The Advisory Council notes that the possibility exists that low financial assistance rates may force women back into relationships that are violent or otherwise unsatisfactory.

- The Council also maintains that unless basic items of food, clothing, shelter and transportation are adequately covered, it is unrealistic to expect recipients to meet the challenges necessary to get off financial assistance, or to live in dignity.

Concerning the "Economic Unit" and "Man-in-the-House Legislation"

- Applications for assistance are made on a unit basis, and only one application is allowed per economic unit. The Department of Income Assistance determines who is to be included in the unit.

- The concept of "economic unit" is not clearly defined by either the regulations or policies pertaining to the Social Welfare Act. There exists a risk of imposing economic dependency on a woman simply because another person has moved into the household when that person has no legal obligation to provide for the woman or for her children. If a woman attempts to improve her budgeting situation by sharing accommodation, she is penalized.

- New Brunswick laws and regulations governing determination of the economic unit are technically sex-neutral. "Man-in-the-House-Legislation", which refers to laws that cut off assistance to women if they are either living with or in a relationship with a man, does not exist in New Brunswick. However, women on financial assistance come under suspicion easily and tend to be investigated for not reporting changes to the composition of their economic unit. There is a common perception among women that "Man-in-the-House Legislation" does exist. The women interviewed during the course of this study felt that they would come under scrutiny should they enter into a relationship with a man.

Concerning Women's Knowledge of the System of Financial Assistance

- A problem brought to the attention of the Advisory Council by women on financial assistance was their lack of knowledge of the system of financial assistance in New Brunswick and of their rights within that system.

- Women on financial assistance tend to view assistance as charity. With little access to information about the Social Welfare Act, regulations or policies, the focal point for women on financial assistance becomes their financial officer. Without exception, women spoke about what their financial officer would "give" them, not about what they were entitled to. Lack of concrete information creates uncertainty, further exacerbating feelings of insecurity and dependency.

3. RECOMMENDATIONS

For the Department of Income Assistance

Whereas the current rates of financial assistance fall far below established poverty lines, and whereas women receiving financial assistance do not have the means to meet their basic needs of food, clothing and shelter, the NBACSW recommends that the Department of Income Assistance:

- allocate financial assistance in two parts, one to cover basic needs of food, clothing, personal items and travel, and another to cover shelter costs;

- base the amount allocated for food on Agriculture Canada estimates of the cost of a nutritious food basket;

- base the amount allocated for clothing and personal items on estimates of the real costs of such items;

- base the amount allocated for travel on local transportation rates;

- base the amount allocated for shelter on the type of housing market in which the recipient is located, for example, the private rental market, non-profit housing, co-operative housing or home ownership market;

- extend the heating supplement to seven months and ensure knowledge of its availability among all financial assistance recipients;

- allocate per child sufficient funding based on the child's age, and grade in school to cover the essential needs for school supplies and clothing at the beginning of each school year;

- and that the monthly wage exemption be based on annual earnings so that, for example, gains from seasonal employment may be distributed over a longer period.

Whereas the legal definition of economic unit is unclear, and whereas the administrative practices associated with suspected violations of the Social Welfare Act due to changes in the economic unit have created problems for women receiving financial assistance, the NBACSW recommends that the Department of Income Assistance:

- ensure that the concept of "economic unit" be clearly defined so that women on financial assistance will know precisely who will and who will not be considered part of their economic unit;

- distinguish between the concept of "economic participation" and economic dependency, so that it is not automatically assumed that a single woman is being supported by the person that she is living with, especially where that person has no legal obligation to provide financially for her;

- conduct a comprehensive evaluation of all administrative practices related to the reporting and investigation of economic unit cases so as to ensure that these practices in no way discriminate against women, that the procedures and criteria being used therein are clearly defined, and that they are standardized across all regions of the province.

Whereas insufficient written information about the system of financial assistance is available to recipients, and whereas women receiving financial assistance are not well informed about their rights and responsibilities within the system, the NBACSW recommends that the Department of Income Assistance:

- make the education of financial assistance recipients about their rights and responsibilities a priority; pamphlets and information sessions to educate recipients about regulations, programs, services offered and appeal procedures should be widely used, with a special emphasis on audio and visual materials;

- institute a follow-up procedure for requests for special items including written notification to the recipient as to why their request has been accepted or rejected.

Recommendations for the New Brunswick Housing Corporation

Whereas women receiving financial assistance are more likely to be in the rental market than to be homeowners, and whereas the lack of affordable and adequate housing is one of the most pressing problems that they face, the NBACSW recommends that the New Brunswick Housing Corporation:

- make the expansion of non-profit and co-operative housing a priority;

- ensure that all new non-profit and co-operative housing initiatives are well-integrated into the community so as to decrease stigmatization and ensure access to facilities such as schools, recreation facilities and transportation;

- evaluate the feasibility of the re-establishment of rent controls;

- expand programs to rehabilitate both homeowner residential housing and rental residential housing;

- implement a program to identify housing needs and to expand existing inventory of non-profit and co-operative housing in rural New Brunswick;

- ensure that knowledge of tenants' rights and responsibilities under the Residential Tenancies Act, as well as information on all available housing programs, be provided to the Department of Income Assistance for distribution in their offices.

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1. INTRODUCTION

> Darleen and her 3 year old son are financial assistance recipients. Out of her monthly cheque of $616 and family allowance of $31, she pays $500 for rent and utilities for her two-bedroom apartment. After paying for the phone ($15) and diapers ($40) each month, she has $92 to buy food, personal and household items and clothing. She left her marriage because of abuse. Her son has a medical problem that is made worse by poor nutrition. The $43 that remains for the month's food after paying for other basic necessities is exactly the amount required for Darleen and her son to eat for 1 week. Although she lives a 5-minute walk from a major supermarket, she relies on friends to drive her to the food bank, where, in some respects, she can afford the food.

Darleen's case is not unusual. She is one of tens of thousands of financial assistance recipients in New Brunswick, or about 10 per cent of the provincial population. Just over half of these financial assistance cases are headed by women.[1]

Examination of the breakdown of recipients according to family type reveals that 92% of female heads of families on financial assistance are either single persons or single parents. Single parent families, which are largely headed by women, make up only 18% of all New Brunswick families with children at home. However, they make up almost 67% of such families in receipt of financial assistance. Single parent families headed by women are vastly overrepresented among financial assistance recipients. There are more than twice as many single parent families on financial assistance in New Brunswick than two-parent families. (See Section 3.2 below.)

The New Brunswick Advisory Council on the Status of Women, through calls made to its toll-free number, and through contacts made with Council members, who are located throughout the province, has long been concerned about the situation of women on financial assistance in New Brunswick. Concerns have

focused on the plight of single parents, opportunities for training, the adequacy of financial assistance rates, the availability of day care, so-called "man-in-the-house" disqualifications, the problems faced by children of financial assistance recipients and the consistency of the application of regulations and policy throughout the province. Given the enormity and complexity of any one of the above-mentioned issues, as well as the limited time and resources at our disposal, the aim of this brief is limited to exploring selected aspects of living on financial assistance that women have brought to our attention, and to make relevant recommendations.

Although the next section of the brief draws on secondary material to discuss the issue of women and poverty, it must be stressed that the approach taken here is solidly "woman-centered". Women's concerns inspired the major questions from which the project grew, and were central to the selection of issues eventually addressed in the research.[2] Preliminary work was carried out largely around the kitchen tables of women who were contacted through local women's groups, and around the conference table at three key conferences.[3]. The issues identified by these women were then explored with reference to the literature on the feminization of poverty and women and social welfare policy. Both statistical data and legislative information, as well as qualitative data from in-depth interviews with women on financial assistance, contributed to the study.

In the following section the literature on women and poverty will be discussed. The brief will then go on to provide an overview of the system of financial assistance provision in New Brunswick and characteristics of women on financial assistance. Finally, the following aspects of social welfare

policy in New Brunswick will be dealt with: the financial assistance rates and their relation to family budgeting; the issue of "man-in-the-house legislation"; and women's knowledge of the system of financial assistance provision in the province.

2. WOMEN AND POVERTY

> The foundation of the great financial vulnerability of women is the belief that most of them will always have a father or husband on whom they can count. In reality, one man in ten cannot support his family and almost three out of every four women find themselves alone sometime in their adult lives, victims in most cases of marriage breakdown or widowhood. When women are forced to take charge of their own economic needs, they usually find that their training and lifestyles have left them unequipped for it.[4]

So concluded the National Council of Welfare in 1979. Since then, numerous studies have examined the vulnerability of Canadian women to poverty and a trend that has become known as the "feminization of poverty". Before turning to this subject, some definitions of poverty will be considered.

2.1 The Definition of Poverty

The most widely used poverty measurements in Canada are the Statistics Canada low-income cut-offs.[5] These cut-offs are based on surveys of household expenditure and on the known relationship between percentage of income spent on basic necessities (i.e. food, clothing and shelter) and level of disposable income. That is, the proportion of income spent on basic necessities decreases as income rises. The amount left over after basics is called "discretionary income".

In Canada the average amount spent on basics is 38.5%. Statistics Canada considers 58.5% to be the point at which so little discretionary income is left over that a family is in distress. Low-income cut-offs are determined by applying the rate of 58.5% to annual average income figures. Adjustments are made for family size and size of community, and cut-offs are revised annually based on changes in the consumer price

index.[6] These cut-offs are used by the National Council of Welfare to estimate annual poverty lines. The latter are shown in Table 1 on the following page. So, for example, a family of three living in a city with a population of 50,000 would be in distress if their annual income was less than $17,318 (row 3, column 3). Cut-offs provide the tools to arrive at "hard data" on poverty. However, what is more difficult to define or interpret in any generalizable way is the experience of poverty - of being on the other side of that line.

In 1968 the Economic Council of Canada defined poverty as "an insufficient access to certain goods, services, and conditions of life which are available to everyone else and have come to be expected as basic to a decent, minimum standard of living".[7] Others have cautioned against thinking of poverty as merely a "scaled-down version of the lifestyle of middle-income people".[8] Personal testimonies of people living on low-income as reported in several Canadian studies have deepened our understanding of the reality of low-income subsistence.[9] In 1970 the Royal Commission on the Status of Women reported that:

> Poverty is to be without sufficient money, but it is also to have little hope for better things. It is a feeling that one is unable to control one's destiny, that one is powerless in a society that respects power. The poor have very limited access to means of making known their situation and their needs. To be poor is to feel apathy, alienation from society, entrapment, hopelessness and to believe that whatever you do will not turn out successfully. To be poor is to feel deprived of the means of obtaining even the most elementary things that others take for granted.[10]

What the Royal Commission on the Status of Women could not foresee was the feminization of poverty in Canada in the 20

TABLE 1

NATIONAL COUNCIL OF WELFARE ESTIMATES

OF LOW INCOME LINES FOR 1987

Population of Area of Residence

Family Size	500,000 and over	100,000 - 499,999	30,000 - 99,999	Less than 30,000	Rural
1	$ 11,079	$ 10,522	$ 9,870	$ 9,126	$ 8,193
2	14,617	13,874	12,944	12,010	10,708
3	19,554	18,529	17,318	16,110	14,338
4	22,532	21,414	20,018	18,621	16,575
5	26,256	24,861	23,185	21,601	19,274
6	28,677	27,094	25,326	23,556	21,042
7 or more	31,564	29,887	27,933	25,977	23,185

Source: 1987 Poverty Lines
National Council of Welfare
Ottawa: Minister of Supply and Services Canada

years following their report. In the following section the trend towards the feminization of poverty will be examined at the national level.

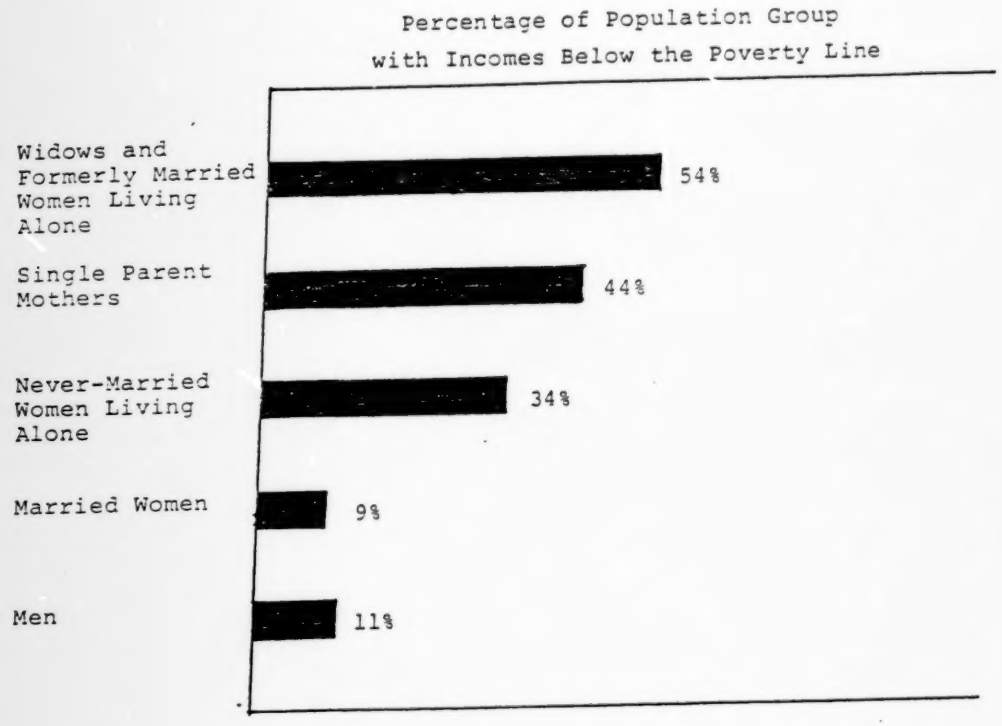
2.2 The Feminization of Poverty

> Poverty in Canada today does indeed have the face of a woman, and feminization is poverty's outstanding feature.[11]

In 1970 the incidence of poverty among Canadian women was considered to be one of the surprising findings of the Royal Commission on the Status of Women.[12] However, since 1970 numerous reports have confirmed women's poverty as a main feature of Canadian society.

In 1979 the National Council of Welfare reported that 16% of adult Canadian women were living below Statistics Canada low-income cut-offs, compared with 11% of men.[13] Figure 1 on the following page breaks these figures down further. It was found that 54% of widows and other formerly married women living alone were on low incomes. The figure was 44% for single-parent mothers, 34% for never-married women living alone, and 9% for married women. Thus a strong relationship was found between a woman's family status and the likelihood of living in poverty. The Council concluded that, considering all Canadian women together, the one common element distinguishing the poor was that they did not have a man to support them.

FIGURE 1



More recent reports indicate that women still make up a larger proportion of the poor and are more likely than men to live below the poverty line.[14] Except for girls and aged women living in families, women make up a disproportionate share of people on low income. Between 1961 and 1985, women's status as the majority of unattached individuals with low incomes remained at 62 per cent. Again, the evidence points to the inability of women to provide for themselves. However, three out of four Canadian women will be on their own at some point in their adult lives.[15] The fastest growing type of family in Canada is the female lone-parent, increasing between 1971 and 1981 by 59%, compared to 25% for male lone-parents, and 22% for two-parents.[16] Despite the reality of changing family patterns, Canadian society still does not equip women for economic independence.

The concept of a "family-wage" system, according to which men are able to provide for a wife and children and women are viewed as secondary participants in the work force, has been well entrenched since the late nineteenth century.[17] In Canada today we have a labour market structure that restricts women largely to low-paying occupational ghettos, that pushes them into part-time work, and that severely undervalues their labour.[18] Women working full-time make an average of 64% of men's full-time earnings.

Given these constraints, it is not surprising that the average income of female heads of families has been about 50% of the average income of their male counterparts for the last 15 years.[19] Thus, the incongruity between cultural belief, a discriminatory labour market structure, and the reality of Canadian women's lives ensures women's vulnerability to poverty. In the next section the position of New Brunswick women will be examined.

2.3 Women and Poverty in New Brunswick

In a recent province-wide survey commissioned by the Advisory Council on the Status of Women, women expressed a clear concern for their unequal economic position in New Brunswick society. Approximately 51 per cent of the women surveyed thought that men had a better chance to get ahead financially, and 58 per cent thought that men have better employment opportunities than women.[20] Women were asked what they thought was the major problem or concern facing New Brunswick women today. Fully 47 per cent thought that employment opportunities in general, and equal employment opportunities, were the major problems faced. A further 12 per cent mentioned child care needs.[21]

These concerns are well-grounded. The feminization of poverty is no less serious in New Brunswick than elsewhere. Women earn far less than men, are concentrated in traditionally lower-paying occupations, and have a greater tendency to work part-time. Financial insecurity, coupled with changing family patterns, puts New Brunswick women in a vulnerable position.

In 1981, the average income of New Brunswick women was about half that of New Brunswick men. Of women with employment income, 71% earned less than $10,000, compared to 40% of men.[22] In 1984, women employed full-time earned 64.2¢ for every $1.00 earned by men employed full-time. In the same year women made up 72.5% of the part-time labour force, compared to 27.5% for men.[23]

As Table 2 on the next page demonstrates, women continue to be concentrated in the lower-paying clerical, sales and service occupational groups. In 1987, it was estimated that 54 per cent of New Brunswick women worked in these groups.

Table 3 on page 12 shows the ratio of female to male earnings in New Brunswick for a variety of occupational groups. Even those women found in managerial and professional categories tend to earn less than men.

At the same time, 1981 census data for New Brunswick indicated an increased growth rate for women living alone, and particularly for single parent families. Between 1976 and 1981, female lone-parent families increased by 34.8%, compared with 24.5% for male lone-parent families, and 6.3% for two-parent families.[24] As Table 4 on page 12 shows, the rate of increase of female lone-parents in New Brunswick was higher than the national average.

TABLE 2

Occupations of New Brunswick Women

1987

Occupational Group	Percentage of Employed Women in Group	
Clerical and Related	26%	
Service	21	
Sales	7	54%
Managerial, Administrative & Related	7	
Teaching & Related	8	
Health & Medical	11	26
Processing		8
Other		12
TOTAL		100%

Source: Baseline Market Research, for the NB Advisory Council on the Status of Women. A Status Report on the Women in New Brunswick. June, 1987.

TABLE 3

Ratio of Female to Male Average

Full-time Earnings, 1984

Occupational Group	Ratio Female to Male Earnings
Managerial	69.0%
Professional	69.5%
Clerical	62.0%
Sales	46.5%
Service	48.6%
Processing	46.3%

Source: Statistics Canada, unpublished data, 1985 Survey of Consumer Finances as cited in Province of New Brunswick Women's Directorate Fact Sheet No. 2, August, 1986.

TABLE 4
Percentage Change, 1976-81,
Two-Parent and Lone-Parent Families,
Canada and New Brunswick

	Canada		New Brunswick	
	Numerical Change	% Change	Numerical Change	% Change
Total Families	597,080	10.4%	14,535	9.0%
Husband-Wife	442,410	8.6	9,215	6.3
Lone-Parent	154,675	27.6	5,320	32.9
Male Lone-Parent	29,190	30.7	735	24.5
Female Lone-Parent	125,490	27.0	4,580	34.8

Source: Canada's Lone-Parent Families, Ottawa, Statistics Canada, 1984, Table 2.

As Table 5 below indicates, female lone-parents are in a far worse position economically than either their male counterparts or two-parent families. In 1981, the average income of female lone-parent families in New Brunswick was 59% the average income of male lone-parent families and 49% of the average income of two-parent families.

TABLE 5
Average Family Income
According to Family Type
New Brunswick 1981

All Families	$ 21, 155
Two-Parents	22, 373
All Single Parents	12, 353
Male Single Parents	18, 565
Female Single Parents	10, 977

Source: Census of Canada 1981, Catalogue SPY 81B95, p. 21.

The plight of two parent families living in poverty is of great concern as well. In New Brunswick 15.5% of families live below the poverty line.[25] Women's labour in the areas of household management, parenting and stress management are surely made more difficult by living on low-income.

It is not within the scope of this study to examine in detail the extent of popular belief in the family wage system or in the notion of women as secondary workers in the province of New Brunswick. As we saw above, the notion seems to be firmly embedded in the province's occupational and labour market structure. Moreover, employment opportunities and economic position are currently a major concern of New Brunswick women.

At present, for many women in the province, financial assistance administered through the Department of Income Assistance provides their only means of livelihood. In the next section the system of financial assistance provision in New Brunswick will be briefly described, as well as selected characteristics of women on financial assistance in the province.

3. FINANCIAL ASSISTANCE IN NEW BRUNSWICK

3.1 Statutory Provision for Financial Assistance

In New Brunswick financial assistance is provided under the Social Welfare Act and related General Regulation.[26] Below is a description of those aspects of the system that are most relevant to our present discussion.

There are three main financial assistance programs - the Interim Program, the Upgrading, Training and Placement Program (UTP), and the Long-Term Established Needs Program(LTEN). Recipients are classified according to employability, which is determined at registration and based on previous work experience and social factors. The amount of money received on assistance varies according to program and reflects a built-in disincentive principle. The more employable a person, the less assistance he or she receives. For example, a single person on the Interim Program receives $205 per month, an amount which is far below that required to subsist. The same person would receive $410 on UTP and $441 on the LTEN Program. Details of the rate structure are given in Appendix A.

Applications for assistance are dealt with on a unit basis, and are limited to one application per unit. A unit is made up of the unit head, his or her spouse, and any other dependents in the unit. Applications must be made by the unit head, unless there is a valid reason for not doing so, and cheques are issued in the unit head's name.

To qualify for financial assistance the applicant must have exhausted all avenues of support, and continuing eligibility is dependent on continued need. Any changes in a recipient's resources must be reported to the Department, and each case is reviewed annually for such changes.

Regular assistance is meant to provide for basic items of food, clothing, shelter and transportation. The amount received is based on a budget deficit method whereby assets and income are weighed against needs and the Department's allowance for those needs (i.e. not their actual cost). Requirements for items beyond basic needs are considered to be items of "special need". Items of "special need" would include such things as furniture, unusual transportation costs, special health needs or other services. Requests for these items are made to the recipient's financial officer.

Should a financial assistance recipient feel that a decision of the Department is unfair, she or he may appeal that decision. The appeal process is three-tiered, the first two steps being internal administrative reviews, and the final step being an appeal to the Social Welfare Appeals Board. Appeals may be made for a variety of reasons. In 1986-87, 42 per cent of appeals were made because of insufficient assistance.[27] The appeal procedure can take up to two months and the decision of the Board, once taken, is final.

3.2 Women on Financial Assistance in New Brunswick

Although the question of why a person becomes reliant on financial assistance is very complex, the trends of feminization of poverty described in previous sections are reflected in the make-up of the financial assistance recipient population in New Brunswick.

As Table 6 on the following page shows, fully 92 per cent of female-headed units are classified as either single persons or single parents, compared with 65 per cent of male-headed units. Fifty-seven per cent of female-headed units are single parents, compared with 4 per cent of male-headed units.

TABLE 6
Financial Assistance Cases
by Family Unit Type and
Sex of Unit Head

	SEX OF UNIT HEAD		
	Female Headed	Male Headed	Total
Family Unit Type:	%	%	%
Single Person	35	61	48
Two Person	2	9	5
Single Parent	57	4	32
Two Parent	6	26	15
	100% (18,739)	100% (16,328)	100% (35,067)

Source: Selected Statistics, Department of Income Assistance, October, 1986.

Table 7 on the following page demonstrates that the likelihood of single-parent families becoming reliant on financial assistance is overwhelming. Almost half of single parent families in New Brunswick are receiving financial assistance. While single parents make up 18 per cent of families with children at home in New Brunswick, they account for 67 per cent of such families on financial assistance. The vast majority (83%) of single parents are women. Thus, while female single parents make up 15 per cent of all families with children at home in New Brunswick, they account for 67 per cent of such families on financial assistance.[28]

TABLE 7
Single Parent and Two Parent Families
With Children at Home
N.B. Population and Financial Assistance Recipients

	N.B. Population 1986 %	Financial Assistance Cases 1986 %
Two Parent Families	82	33
Single Parent Families	18	67
	100% (134,215)	100% (16,540)

Source: Census of Canada 1986, Data Collected From All Households, Summary Tabulations July 1987, Table CF86A02; Selected Statistics, Department of Income Assistance, October 1986.

A recent study of financial assistance recipients by the Department of Income Assistance revealed other significant differences between male and female recipients:[29]

Younger unmarried females are more likely to be reliant on financial assistance than their male counterparts;

Men who are reliant are more likely to be married than women and tend to be older, whereas women are much more likely than men to be separated or divorced;

Separated/divorced individuals who are reliant on financial assistance tend to be 30-49 years of age and female;

For separated/divorced individuals, the economic flexibility offered by the presence of two adults of working age has been lost, and for never married single parents it has never existed;

Female-headed units are more likely than males to live in urban settings;

Urban dwellers are more likely to report that they are on financial assistance because a spouse left the unit, and that child-rearing responsibility keeps them reliant on financial assistance;

Separated and/or divorced individuals are more likely to be paying rent than to be homeowners;

The departure of a spouse from the unit affects the likelihood of financial assistance dependence more than any other type of domestic change and 96.8% of those clients who became reliant on financial assistance following the departure of a spouse are female;

Women are better educated than male recipients, but they are less likely to report that they have a job skill;

Males are more likely to have had recent contact with the labour force and single parents are least likely to have had recent contact;

The economic trauma created by domestic disruption means immediate reliance for dependent females and continued reliance for at least two-three years.

In summary, women on financial assistance form a subgroup of financial assistance recipients with particular characteristics that indicate a high level of dependence on this fixed income. Women are much less likely than men to report having job skills, and are less likely to be looking for work. The obstacles that they face will most likely prevent them from getting off assistance in the short term. Moreover, the same study showed that the more often or longer a client is on financial assistance, the less likely they are to feel that they will exit from it. In the next section the fixed income of women on financial assistance will be examined in relation to housing and nutrition needs.

4. FINANCIAL ASSISTANCE RATES AND MEETING BASIC NEEDS

Table 8 below shows the financial assistance rates for the Upgrading Training and Placement (UTP) Program as a percentage of National Council of Welfare Low Income Lines (i.e. poverty lines).[30] The UTP basic rate, which is meant to cover the costs of food, shelter, clothing and regular transportation, ranges from 32 per cent to 57 per cent of the poverty line.

TABLE 8

FINANCIAL ASSISTANCE BASIC RATE
FOR UTP PROGRAM AS PERCENTAGE
OF POVERTY LINE

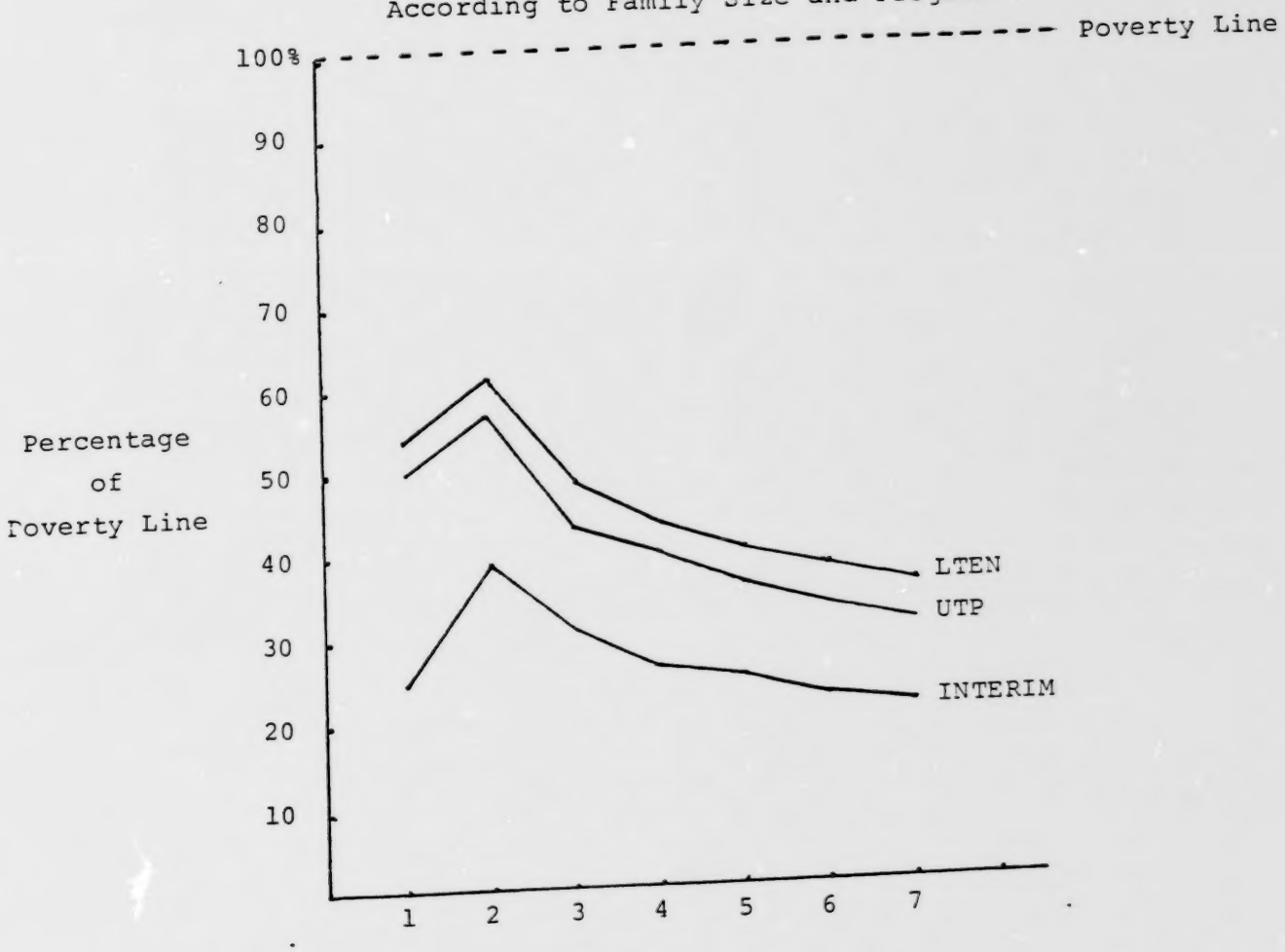
Family Size	Financial Assistance Basic Rate UTP Program	National Council of Welfare Poverty Line	(1) as percentage of (2)
1	$4,920	$ 9,870	50%
2	7,392	12,944	57
3	7,692	17,318	44
4	7,992	20,018	40
5	8,292	23,185	36
6	8,592	25,326	34
7	8,892	27,933	32

Source: New Brunswick Regulation 87-124; 1987 Poverty Lines. National Council of Welfare, Ottawa: Minister of Supply and Services Canada.

Figure 2 on the following page shows the current financial assistance rates in all three programs as a percentage of the poverty lines.

FIGURE 2

Financial Assistance Rates as
Percentage of Poverty Line
According to Family Size and Program



Example: The LTEN basic rate for a family of 4 is 44 per cent of the poverty line.

LTEN - Long Term Established Needs Program
UTP - Upgrading, Training and Placement Program

Source: National Council of Welfare Estimates of Low Income Lines for 1987 (area of residence population 30,000 - 99,999) and N.B. Regulation 87 - 124 Maximum Allowable Amounts.

The rates of financial assistance for the LTEN program range from 36% to 61% of the poverty line. For the UTP program they range from 32% to 57%, and for the Interim program the rates range from 22% to 39% of the poverty line. How, then, do families on financial assistance in the province of New Brunswick meet basic needs?

4.1 Housing

As was noted above, expenditure on food, clothing and shelter that exceeds 58.5% is one measure of poverty. In New Brunswick, it is estimated that the average family receiving financial assistance who are in the rental market spend at least 65% of their income on rent alone.[31] Comparison of financial assistance rates and average rental rates for New Brunswick indicates that this amount can vary quite widely, depending on which program one is on, where one lives, and, of course, the conditions in which one is willing to live.

Table 9 on the following page compares financial assistance rates for the UTP program and average rental rates for various locations in the province. As an example, a single mother and her child would constitute a "two-person unit". On UTP she would receive $616. per month. If she lives in Saint John, she would probably pay $321. for a one-bedroom apartment, or 52% of her income from financial assistance. A two-bedroom apartment would cost her $377., or 61% of her income. If she moved to Fredericton to a two-bedroom apartment, this figure would likely jump to 75%. Her counterpart in Edmundston would pay about 57% of her income on rent alone.

TABLE 9

Average Rental Rates as Percentage of UTP Rates

for Selected New Brunswick Centres

	1-person unit		2-person unit		3-person unit		4-person unit	5-person unit
	"bachelor" %	1-bedroom %	1-bedroom %	2 bedroom %	2-bedroom %	3-bedroom %	3-bedroom %	3-bedroom %
MONCTON	70	86	57	67	64	72	69	66
SAINT JOHN*	68	78	52	61	59	60	58	56
FREDERICTON	86	99	66	75	72	82	79	76
SUSSEX	-	73	49	65	62	-	-	-
BATHURST	67	85	57	65	62	78	75	72
CHATHAM	-	91	61	69	66	66	64	62
EDMUNDSTON	61	73	49	57	55	55	53	51
NEWCASTLE	61	67	45	57	55	-	-	-

*Example: A single person on UTP receives $410/month. If she lives in a bachelor apartment in Saint John, her rent may be $279, or 68% of her income.

Compiled from Social Welfare Act - Regulations and Canada Mortgage and Housing Corporation "Apartment Vacancy and Rental Rate Survey"
October, 1986.

According to the Canada Mortgage and Housing Corporation, households that spend more than 30% of their income on shelter costs are considered to be in a housing crisis.[32] Families living on financial assistance in New Brunswick have gone well beyond the crisis stage.

The United Nations' definition of homelessness includes not only those people who have no homes, such as "street people" and victims of disaster, but also people whose homes do not meet UN basic standards of adequate protection from the elements, secure tenure and personal safety and affordable prices. The latter are referred to as the "relative homeless".[33] Given the data that we have presented above, it is clear that most New Brunswick women receiving financial assistance who are tenants in the private rental market are subject to the condition of relative homelessness. Perhaps the implications of relative homelessness are best summed up by the following statement:

> When you pay 70% of your revenue on housing, you have two choices - you can eat or you can heat.[34]

In addition to the high cost of housing relative to income, women receiving financial assistance face a variety of other problems related to housing.

These women often experience discrimination in the rental market. They may be required to have their landlord complete and sign a form that is clearly marked "Department of Income Assistance". The form provides the Department with details on rent and heating costs, making it impossible to conceal the fact of being on financial assistance from the landlord. Should the landlord have a policy of not renting to such

people, there is little that the prospective tenant can do. This can result in great frustration, as illustrated by the following experience:

> I move often in an attempt to find a good neighbourhood - a good environment for my kids. I want to be around parents who care about their kids. I was in a good neighbourhood, but had to move because the rent was too high. I looked and looked, and finally found a good (but small) place bordering on a playground and park, and close enough to downtown. When the woman found out that I was on social assistance, she refused to rent to me. She said, "I've heard stories, and I don't think my husband would feel comfortable." I went back a few times to ask her again, but she didn't change her mind.[35]

Women on financial assistance feel frustration and rejection from such treatment. A single parent on financial assistance is doubly disadvantaged. One needs only to open any newspaper to the classified section and count the number of rental listings that specify "No children" and/or "No pets" to see how their rental market can shrink. Although this type of discrimination does not only affect women on financial assistance, it adds considerably to the other housing problems that they face, such as lack of convenience or safety, increased transportation costs to outlying areas, overcrowding, or other inadequate conditions.

The vulnerable position of single women on financial assistance may be magnified by feelings of dependency and helplessness that women often face when confronted with this type of housing situation. Fighting against these feelings and finding techniques to "beat the system" consumes an enormous amount of energy and can engender feelings of guilt. For example, women may resort to taking a man with them when trying to rent an apartment, or to lying about their occupation. The dilemma occurs if their children are aware of these lies, for then it becomes even more difficult to teach their children not to lie. The following comments provide an indication of women's vulnerability in the rental market:

> Once they find out you're on assistance, it automatically gives them an idea they can trample on you. You have to set the ground rules from the start, you know, that you're serious about having repairs done. You have to really work at it.[36]

One way in which the problems of housing are eased is through subsidized housing. In this province subsidized housing is provided primarily through the New Brunswick Housing Corporation. Rent is set at 30% of income. For example, in one actual case, moving into subsidized housing saved one single mother of three $324 that could then be used to improve nutrition, rent a telephone and purchase a few small personal items.[37]

The New Brunswick Housing Corporation and the Canada Mortgage and Housing Corporation are currently co-sponsoring a housing needs study to determine the extent and degree of housing need in the province. The results of the study will be used, among other things, to determine appropriate program response. At present, the subsidized housing stock cannot meet the demand. Taking the greater Moncton area as an example, 1981 census data shows that, of 49,280 households, 9,685 or 20% were in need. In the same area there are 3,700 subsidized units, or 1 unit for every 2.5 households in need.[38] The need for affordable housing is reflected in both the average waiting list for public housing of 200 in the Moncton area[39], and in the ever-increasing number of applications for cooperative housing being made by single parent mothers.[40]

4.2 Nutrition

The intended use of the basic rate of financial assistance is to provide for food, clothing, household and personal items, fuel and utilities, routine transportation and shelter.[41]

Anything above and beyond these basic items are considered to be "items of special need". As was noted previously, most financial assistance recipients spend 60-70% of their income on housing, leaving little for other basic needs. Taking food as an example, Table 10 demonstrates the impact of the current level of financial assistance rates on food budgeting.[42] For the table, realistic examples of economic units on the UTP program were constructed, rent was estimated at 65% of income, and Agriculture Canada estimates of food costs were used.

Table 10
A Comparison of Financial Assistance
Rates (UTP), the Cost of Shelter,
and the Cost of a Nutritious Food Basket

No. in Family	Income UTP (65%)	Rental Costs	Balance	Food Costs	Balance
1	$ 410	$ 267	$ 143	$ 108	$ 35
2	616	400	216	222	(6)
3	641	417	224	314	(90)
4	666	433	233	406	(173)
5	691	449	242	427	(185)
6	716	465	251	552	(301)

See endnotes for make-up of economic units.[43]

As Table 10 shows, few families would have enough money to pay for nutritious food once their rent has been paid. Other basic needs that are meant to be covered by the basic rate of financial assistance, are not affordable.

A family of 3, for example, would receive $641 per month and pay out $417 for rent, leaving $224. This figure is $90 short of the amount that, according to Agriculture Canada, they would need to eat nutritiously. Expenses such as phone, electricity, household and personal items, must also be paid for. Nutrition and health suffer as a consequence. In reality, people do make the choice between eating and heating.

4.3 Beyond Statistics

Not surprisingly, all of the women interviewed for this study felt that they did not have enough money for food. In their own words,[44]

> No! I feel that my children are missing nutritious food. I'm pissed off that I can't afford to buy good food. Anything good goes to the kids, so I don't eat well.

> No. Out of the $30 left for the month's food for myself and my son, what about toiletries - sanitary napkins, shampoo and deodorant?

Women referred to hamburger as a "treat", rarely ate fresh fruit and vegetables and relied on watered-down and powdered milk. They knew that they were eating too much pasta and bread and not enough of the more expensive foods - milk, vegetables, fruit and meat - but could do precious little about it.

Although the food bank was an alternative for some, it was one chosen with great reluctance. Some refused to use the food bank - "I should be in Asia or India." Others drew the line at the food bank, refusing to have meals at the soup kitchen. Invariably they spoke of their first visit to the food bank or soup kitchen as a degrading experience, although they all

expressed high praise for the food bank workers. With time, these women became used to the experience:

> At first it felt funny, but it changed with time. I knew that I had no choice.

Also, the food from the food banks was often "more of the same" - macaroni, Kraft dinner, flour, sugar, rice, canned milk, jello, jam, etc. They found it difficult to plan a meal around this source of food.

Almost all of the women interviewed rely on relatives when they run out of food. Some have a couple of meals a week with their parents. In some respects, this is a great help, but it can create or perpetuate dependency and erode a woman's feelings of self-confidence or control over her life.

Thus the low rates of assistance, coupled with features of the housing market and food prices, mean that women receiving financial assistance are preoccupied with basic subsistence - finding adequate housing, feeding their children and themselves and clothing themselves. This struggle by itself leaves little energy for changing their lives. In the words of one mother of four, who has been on assistance for a year after leaving a violent marriage,

> People are being kept poor. It's almost impossible to get ahead. I've been working at it for a year. I just don't know what I'm going to do.

This statement seems reasonable, given that the poverty line estimate for her family is $23,185 and that her annual income from financial assistance is $8,292, or 36 per cent of the poverty line.

In the next section, composition of the economic unit will be examined in relation to the issue of "man-in-the-house" legislation".[45]

5. DETERMINATION OF THE ECONOMIC UNIT

The policy of the Department of Income Assistance is that gender and/or the existence of a sexual relationship are inconsequential to the determination of the economic unit. Thus, in New Brunswick there is no "man-in-the-house legislation". However, during the course of this study, repeated reference was made to the existence of such rules by both women on financial assistance and by representatives of women's groups working in the area of financial assistance and equality. Women on financial assistance thought that they could be easily cut off if they became involved in a steady relationship with a man. This is a puzzling situation, given that New Brunswick legislation in this regard compares favourably with that of other provinces. For example, examination of the current legislative changes in Ontario suggests that New Brunswick is at the forefront of progressive financial assistance legislation.

5.1 Legislative Changes in Ontario

In Ontario most single parents on financial assistance are women. Until recently, financial assistance regulations in that province required that a sole support mother "live as a single person". Benefits were cut off on such spurious grounds as dates, occasional nights with a man, or assistance in obtaining credit. In 1983, when amendments made sole support fathers eligible for assistance, the regulations became technically gender-neutral. However, the Women's Legal Education and Action Fund (LEAF) challenged this legislation with success in 1986-87, on the basis of disparate impact.[46] That is, because of discriminatory occupational structure, the pay gap and women's traditional role as homemaker, women are

more likely to need assistance, and therefore are more likely to suffer the consequences of man-in-the-house rules.

LEAF also found that the procedure in Ontario for cutting off assistance and the appeal procedure were contrary to the principles of natural justice.[47] LEAF is currently working with the Ontario Social Assistance Review Committee on an alternate scheme whereby assistance payments will only be affected if two persons are living together as spouses, or if the welfare recipient is receiving regular financial support from the second person.[48] The new legislation in Ontario will resemble closely the legislation that currently exists in New Brunswick.

5.2 The Legislation in New Brunswick

The inconsistency between gender-neutral legislation and the perception that "man-in-the-house" rules do exist in New Brunswick needs to be explained. One might expect that a possible explanation would be recent changes to law resulting in a lag between reality and the perception of that reality. This is not the case in New Brunswick, where there has never been "man-in-the-house" legislation. A second possible explanation then is that there is a gap between the legislation and its administration.

One way in which legislation is administered is through the use of regulations and policies. According to regulations governing financial assistance, the calculation of need for an economic unit takes into account the available resources of all members of the unit. As we have said, the unit includes the unit head, his spouse and any other persons included in the unit who are considered dependent:

> The person making application for assistance shall make and is deemed to make the application for the benefit of himself, his spouse and any other persons included in the unit and the spouse and the other persons included in the unit are deemed to be dependents of the person making the application for all purposes of the Act and this Regulation.(emphasis added)[49]

Thus a spouse will automatically be considered part of the economic unit and dependent, making the definition of spouse of crucial importance.

The regulations pertaining to the Social Welfare Act define "spouse" as follows:

> (a) the husband or wife of a unit head, or (b) a person who resides with a unit head, who shares the responsibilities of the unit and who benefits economically from the sharing of food, shelter or facilities.(emphasis added)[50]

In essence, the policy is that if people are living together they are considered to be part of the same economic unit and expected to contribute mutually to that unit. In the words of one departmental official, "...A client's assistance would be terminated if it were found that either a male or female had moved into the unit with an income in excess of what the unit as a whole would be eligible for in assistance."[51]

The regulation, as it stands, equates living together with mutual economic participation. This, in itself, is not objectionable. What is objectionable, however, is that under the regulation a woman cannot enjoy such participation in an independent fashion. So, according to the regulation, if a woman wished to share accommodation with a man (or woman), and pay for half the rent, utilities, and food, but still maintain

economic independence, she could not do so. In other words, if a woman attempts to improve her budgeting situation so that she is in a better position to feed and clothe herself and her children, or live in decent housing by sharing accommodation, she is penalized. This reduces the incentive to look for alternatives and traps women into isolated living situations.

A further problem with existing policy is the lack of a clear definition of economic unit. According to the Social Welfare Act regulations, an economic unit is:

> any person, group of persons, or family which has applied for or is in receipt of assistance and which is covered by one application[52]

In internal policies the definition of economic unit is further described as:

> the basis of classification; that is, an application for Social Assistance is evaluated on a unit basis. In determining eligibility and the amount of assistance to be granted, the entire unit is evaluated; i.e. the financial resources of all those who benefit from membership in the unit must be taken into consideration. When two or more persons who apply for assistance, whether or not part of the natural family (i.e. blood relationship) or related legally, benefit economically from sharing shelter, food, and facilities, they may be considered a single unit and be covered under one application.[53]

The concept of "economic unit" is not clarified further in either the regulations or policies of the Department of Income Assistance. The determination of each economic unit is made by the Department. Of concern here is the risk of imposing an economic and legal dependency on a group of individuals simply because another person has moved into the household. Similar problems exist with the term, "to benefit economically", which is not clearly defined. Such imprecise terms only make the

administration of the Social Welfare Act difficult, and, as will be seen below, have the effect of creating uncertainty amongst women on financial assistance.

5.3 The Legislation in Practice

While the legislation concerning economic unit is ostensibly sex-neutral, it affects women differently for two reasons. First, there is the simple reason that there are almost twice as many single women than men on financial assistance (including women alone and single parents). Of the 562 appeals made to the Social Welfare Appeals Board in 1986-87, 14.2% (or 80) were "economic unit cases" and almost all of these were women.[54] Secondly, in practice women are permitted to live with other women, or to have female boarders, with little scrutiny. However, should they take in a male boarder, or share accommodations with a male, they will likely be investigated. In one region at least, <u>all</u> separated women are investigated within two to three weeks of applying for assistance.[55]

It is the understanding of the Council that the manner in which a woman may come under suspicion of living with a man varies, but that suspicion can be aroused fairly easily. For example, a neighbour may call the Department and report a recipient. The complainant need not provide his or her name, and all such complaints are normally investigated. The recipient may arouse the suspicion of her financial officer, as in the case of one woman who arrived at the Department for an appointment looking healthier, happier and better dressed than she had in the past.

Because the woman "looked good" and had recently taken in a male boarder (which she had duly reported to the Department),

suspicion was aroused and she was investigated. As a result of the investigation, which found that her boarder regularly did the grocery shopping for the household, the woman's assistance was discontinued. This resulted in enormous financial and emotional hardship for the woman. The case was appealed and was eventually resolved in her favour. The fact that the woman did not have a car and that her boarder owned a car and worked close to the supermarket was taken into account.[56]

According to the Social Welfare Act regulations, recipients of financial assistance may take in boarders.[57] However, female recipients of financial assistance are regularly counselled to take in only female boarders, not males. Female recipients may be counselled by a financial officer to "let them know" if a boyfriend is going to stay overnight on a regular basis. This is done to avoid any problems should the worker receive a complaint, and was considered to be in the best interests of the recipient.[58] However, the impact on the privacy of the individual is obvious. As one female recipient candidly put it,

> My kids are my responsibility. I have a friend. We all have a right to have a friend. He gives me support. He takes us out for Chinese food and that sort of thing. They don't have to call me up to ask if they can "fool around". Why should I call them up?[59]

Other women interviewed during the course of this study have expressed an overwhelming need to "explain themselves". For example, were a financial officer or even a neighbour to come to the door and find a male sitting at the table, they would feel obliged to explain his presence, even if that male was a brother.

Thus, despite the technical absence of "man-in-the-house legislation", in the minds of women on financial assistance it exists. This popular belief was evident at conferences and meetings attended during the course of this study. Thus the

effect of the current situation on women is similar to the legislation being reviewed in Ontario. Women feel guilty and scrutinized, or, in one woman's words, "You're an open book".

5.4 The Concept of Economic Unit and Couples

As we saw in section 3.1 above, applications for social assistance are made on a unit basis, and are limited to one application per unit. According to Social Welfare Regulations, the unit head is the person in a unit who is assessed as having the highest employment potential.[60] A unit consists of the unit head, "his spouse", and any other persons in the unit. The spouse and other persons in the unit are deemed to be dependent. In official documentation, the unit head has been described as "a person who, under normal circumstances, is responsible for providing the necessities of life for himself and his dependents."[61] The effect of this definition is to reinforce the notion of woman as dependent.

The woman in a two-parent or two-person economic unit is likely to be less employable than her male partner. However, she is very likely to be responsible for providing the necessities of life for the economic unit through both her paid work and her household labour. Moreover, women also feel very responsible for the well-being of their children and spouse. In two-parent families and couples, the designated unit head is more likely to be the male (See Table 6). Although male-headed units make up 47% of all economic units, they make up 82% of "two-person units" (i.e. couples) and 79% of "two-parent units".

It is the concern of the Advisory Council that the current definition of unit head and the issuance of cheques solely in the name of the unit head, serves to reinforce the dependent position of women on financial assistance, and thus constitutes systemic discrimination.

6. WOMEN'S KNOWLEDGE OF THE SYSTEM OF FINANCIAL ASSISTANCE

In interviews with women on financial assistance and at conferences, one feature of their lives that emerged very clearly was a lack of knowledge of the system. This lack of knowledge engenders strong feelings of dependency among women on financial assistance. This dependent relationship serves to promote the idea that assistance is a form of charity that one is privileged or favoured to receive.

All of the women contacted in this study expressed a reluctance to request items of special need. If they have been refused a request once, some women react by never asking for items of special need again. For example:

> I never ask for extra. I once needed two beds for me and my daughter. I had old steel beds with mattresses that were split. At first they wouldn't give me any. Then I called my worker again and she said I could have one mattress only. I thought, "Never mind!". Once I fell and broke my teeth. I waited two weeks to ask. For a while I was taking my daughter to the hospital every day after she had an accident. I went on the bus, not a taxi. I didn't want to ask...I was mad. But you don't dare. If you blow at them and they have your cheque in their hand...well, you feel like a prisoner. They own you.[62]

Women who expect to receive no for an answer may simply avoid asking. Others "psyche themselves up", or learn "how to ask":

> I hate it. It takes me three days to talk myself out of getting upset. The biggest thing is about being dependent. I try to avoid it at all costs...You always have to ask someone else. Only when I'm desperate do I call. You're always asking.[63]

Without exception, the women contacted for this study described the request for special items in very personal terms. The

overall impression gained is that requesting such items can often be experienced by women on financial assistance as a contest of personality and will. As a consequence, when some recipients are granted items that others in the same situation are not granted, jealousy and divisiveness may result. It is hard to understand the rationale for such decisions. Does a woman then blame herself or her financial officer? Does she alter her behaviour? Should she ask for less or for more? In this situation it is difficult to know where one stands or how to act. As one former recipient explained it:

> Some are on for seven years and never call. There's a fear of rejection. Also they think, "Don't bug them and they won't bug me." Others are aggressive and get things. It's not fair that you have to go to that point.[64]

Very little written information about the Social Welfare Act, related regulations and policies of the Department of Income Assistance is given to the financial assistance recipient. A minimal amount of written information - one page listing clients' rights and responsibilities - is received when a recipient starts on financial assistance.[65] The amount of verbal information imparted to the recipient is, of course, dependent on the financial officer's constraints of time and workload.

The lack of information about financial assistance available to recipients is reflected in the responses of women interviewed for this study. Not a single woman interviewed knew the name of the financial assistance program in which she was classified. Some women did not know whether clothing was meant to be covered by their basic cheque. Others thought that bedding was a special item. None of the women interviewed

thought that employability affected the amount of assistance received. Some thought that the amount received varied according to city.

Thus the Advisory Council on the Status of Women is concerned that the lack of information provided to women on financial assistance results in a system whereby women may be needlessly going without items to which they are entitled. In addition, the current system appears to reinforce the dependent position of women on financial assistance and erode their confidence. For women, the struggle of trying to meet basic needs on insufficient rates can be further exacerbated by the tension created by such uncertainty.

7. SUMMARY AND RECOMMENDATIONS

7.1 The Feminization of Poverty

In Section 2 it was noted that in a recent survey commissioned by the New Brunswick Advisory Council, women in New Brunswick expressed an overwhelming concern for employment opportunities and economic position. These concerns are well-grounded.

In Section 2 it was shown that there is a strong relationship between a woman's family status and the likelihood of living in poverty. In New Brunswick, women earn half of what men earn, are concentrated in clerical, sales and service occupational groups, and make up a large percentage of the part-time labour force. They are therefore ill-prepared for economic independence.

7.2 Women on Financial Assistance in New Brunswick

In Section 3 it was seen that the precarious economic position of New Brunswick women is reflected in the make-up of the province's financial assistance cases. Ninety-two per cent of female-headed units are classified as either single persons or single parents, compared to 65% of male-headed units. Fifty-seven per cent of female-headed units are single parents, compared to four per cent of male-headed units. Almost half of single parent families in New Brunswick are financial assistance recipients, accounting for 67% of families with children at home on financial assistance - over three times their proportion in the general population. Most single parents are women.

A 1984 study of financial assistance recipients in New Brunswick revealed that the departure of a spouse from the unit affects the likelihood of financial assistance dependence more

than any other type of domestic change and 97% of those clients who become reliant on financial assistance following the departure of a spouse are female.

The same study found that separated and/or divorced individuals are more likely to be paying rent than to be homeowners, making them much more subject to the vagaries of the rental market. These individuals also lack the economic flexibility offered by the presence of two adults of working age in the same unit.

Financial hardship among female financial assistance recipients is exacerbated by both their work experience and their self-perceptions. While they tend to be better educated than their male counterparts, they are much less likely to report having a job skill and are less likely to have had recent labour market experience. All of these factors combine to make women on financial assistance very reliant on this source of income.

7.3 Meeting Basic Needs on Financial Assistance

Section 4 dealt with the ability of women on financial assistance to meet their basic needs of shelter and food. It was seen that the basic rates of financial assistance in New Brunswick, which are meant to provide for food, clothing, shelter and basic transportation, range from 22% to 61% of the poverty line.

The Canada Mortgage and Housing Corporation considers that families who spend 30% or more of their income on shelter costs are in crisis. In New Brunswick, it is estimated that the average financial assistance family in the rental market spends at least 65% of their income on rent alone. Financial

assistance recipients are very likely to be rendered part of the "relative homeless" due to the combined effect of low fixed income and lack of affordable housing.

While subsidized housing provides a source of affordable shelter to women on financial assistance, its supply is limited. The public housing that does exist often provides an unsuitable environment for children because of lack of play areas, the problem of concentrating people in crisis together, and the social stigma attached to residents. Thus, many women are reluctant to move into existing subsidized housing.

Women on financial assistance are often doubly burdened in the private rental market if it is known by the landlord that they are on financial assistance or if they have children. Landlords may refuse to rent to them and they may receive less or inferior service if they are seen as vulnerable. Feelings of dependency are made worse by these conditions.

In Section 4 data from Agriculture Canada was used to demonstrate that families who spend 65% of their income on rent cannot feed themselves nutritiously. Testimonies of women on financial assistance demonstrated the personal hardships faced under these conditions.

The Advisory Council notes that the possibility exists that low financial assistance rates may force women back into relationships that are violent or otherwise unsatisfactory. The Council also maintains that unless basic items of food, clothing, shelter and transportation are adequately covered, it is unrealistic to expect recipients to meet the challenges necessary to get off financial assistance, or to live in dignity.

RECOMMENDATIONS FOR THE DEPARTMENT OF INCOME ASSISTANCE

Whereas the current rates of financial assistance fall far below established poverty lines, and whereas women receiving financial assistance do not have the means to meet their basic needs of food, clothing and shelter, the NBACSW recommends that the Department of Income Assistance:

(1) allocate financial assistance in two parts, one to cover basic needs of food, clothing, personal items and travel, and another to cover shelter costs;

(2) base the amount allocated for food on Agriculture Canada estimates of the cost of a nutritious food basket;[66]

(3) base the amount allocated for clothing and personal items on estimates of the real costs of such items;[67]

(4) base the amount allocated for travel on local transportation rates;

(5) base the amount allocated for shelter on the type of housing market in which the recipient is located, for example, the private rental market, non-profit housing, co-operative housing or home ownership market;

(6) extend the heating supplement to 7 months and ensure knowledge of its availability among all financial assistance recipients;

(7) allocate per child sufficient funding based on the child's age, and grade in school to cover the essential needs for school supplies and clothing at the beginning of each school year;

(8) and that the monthly wage exemption be based on annual earnings so that, for example, gains from seasonal employment may be distributed over a longer period.

RECOMMENDATIONS FOR THE NEW BRUNSWICK HOUSING CORPORATION

Whereas women receiving financial assistance are more likely to be in the rental market than to be homeowners, and whereas the lack of affordable and adequate housing is one of the most pressing problems that they face, the NBACSW recommends that the New Brunswick Housing Corporation:

(9) make the expansion of non-profit and co-operative housing a priority;

(10) ensure that all new non-profit and co-operative housing initiatives are well-integrated into the community so as to decrease stigmatization and ensure access to facilities such as schools, recreation facilities and transportation;

(11) evaluate the feasibility of the re-establishment of rent controls;

(12) expand programs to rehabilitate both homeowner residential housing and rental residential housing;

(13) implement a program to identify housing needs and to expand existing inventory of non-profit and co-operative housing in rural New Brunswick;

(14) ensure that knowledge of tenants' rights and responsibilities under the Residential Tenancies Act, as well as information on all available housing programs, be provided to the Department of Income Assistance for distribution in their offices.

7.4 Determination of the Economic Unit

Some of the problems associated with the concept of "economic unit" were dealt with in Section 5. Applications for assistance are made on a unit basis, and only one application is allowed per economic unit. It is the Department of Income Assistance that determines who is to be included in the unit. "Man-in-the-house-legislation", which refers to laws that cut off assistance to women if they are either living with or in a relationship with a man, does not exist in New Brunswick.

Despite technically gender-neutral legislation, it is women on financial assistance who tend to be investigated for not reporting changes to the composition of their economic unit. There is also a common perception among women that "man-in-the-house legislation" does exist. The women interviewed during the course of this study felt that they would come under scrutiny should they enter into a relationship with a man.

It was found that the concept of "economic unit" is not clearly defined by either the regulations or policies pertaining to the Social Welfare Act. There exists a risk of imposing economic dependency on a woman simply because another person has moved into the household when that person has no legal obligation to provide for the woman or her children. There exists a risk as well that women, already in a dependent position, are being made to feel that they <u>ought</u> to be dependent on a man.

RECOMMENDATIONS FOR THE DEPARTMENT OF INCOME ASSISTANCE

Whereas the legal definition of economic unit is unclear, and whereas the administrative practices associated with suspected violations of the Social Welfare Act due to changes in the economic unit have created problems for women receiving financial assistance, the NBACSW recommends that the Department of Income Assistance:

(15) ensure that the concept of "economic unit" be clearly defined so that women on financial assistance will know precisely who will and who will not be considered part of their economic unit;

(16) distinguish between the concept of "economic participation" and economi : dependency, so that it is not automatically assumed that a single woman is being supported by the person that she is living with, especially where that person has no legal obligation to provide financially for her;

(17) conduct a comprehensive evaluation of all administrative practices related to the reporting and investigation of economic unit cases so as to ensure that these practices in no way discriminate against women, that the procedures and criteria being used therein are clearly defined, and that they are standardized across all regions of the province.

7.5 Women's Knowledge of the System of Financial Assistance

A problem brought to the attention of the Advisory Council by women on financial assistance was their lack of knowledge of the system of financial assistance in New Brunswick and of their rights within that system. This problem was discussed in Section 7, where it was seen that women on financial assistance tend to view assistance as charity. With little access to information about the Social Welfare Act, regulations or policies, the focal point for women on financial assistance becomes their financial officer. Without exception, women spoke about what their financial officer would "give" them, not about what they were entitled to. Lack of concrete information creates uncertainty, further exacerbating feelings of insecurity and dependency.

RECOMMENDATIONS FOR THE DEPARTMENT OF INCOME ASSISTANCE

Whereas insufficient written information about the system of financial assistance is available to recipients, and whereas women receiving financial assistance are not well informed about their rights and responsibilities within the system, the NBACSW recommends that the Department of Income Assistance:

(18) make the education of financial assistance recipients about their rights and responsibilities a priority; pamphlets and information sessions to educate recipients about regulations, programs, services offered and appeal procedures should be widely used with a special emphasis on audio and visual materials;

(19) institute a follow-up procedure for requests for special items including written notification to the recipient as to why their request has been accepted or rejected.

8. CONCLUSION

In this brief, some of the major concerns of women receiving financial assistance have been explored. Specific recommendations have been made in relation to current financial assistance rates, housing needs, determination of the economic unit (i.e. "man-in-the-house legislation"), and dissemination of knowledge about the system of financial assistance in the province. Recommendations that would expand and modify existing services provided by the Department of Income Assistance and by the New Brunswick Housing Corporation have been made in order to redress problems brought to the attention of the Advisory Council.

Due to constraints of time and resources, this brief does not exhaust the list of issues of concern raised by women receiving financial assistance. Future research should examine, for example, the problems faced by children of financial assistance clients and the consistency of the application of regulations and policy throughout the province. The Advisory Council will be examining the provision of opportunities for training and education in a forthcoming brief.

Finally, the Advisory Council wishes to emphasize the link between women's poverty and their unequal status in society, which was examined in Section 2 of this brief. In this regard, the Council points to previous recommendations that have been made in the areas of employment, education and training, representation of women, child care, family law, health, and violence against women. The Advisory Council reiterates the need for improved education and training programs targeted at women, employment equity programs and adequate day care. The concerns of women for equal employment opportunities and day care, which were so forcefully expressed to the Council in its province-wide survey, should be given priority in the future allocation of budget and deployment of resources.

APPENDIX A

FINANCIAL ASSISTANCE IN NEW BRUNSWICK
MAXIMUM ALLOWABLE AMOUNTS

	PROGRAM:		
	LTEN	UTP	INTERIM
NO. PERSONS IN UNIT:	$	$	$
1	441	410	205
2	663	616	425
3	697	641	442
4	731	666	459
5	765	691	476
6	799	716	493
7	833	741	510
8	867	766	527
9	901	791	544
10	935	816	561
11	969	841	578
12	1,003	866	595
13	1,037	891	612

Source: N.B. Regulation 87-124.

NOTES

1. Selected statistics, Department of Income Assistance for October, 1986, list 35,067 cases or 66,542 recipients including dependents.

2. For a discussion of feminist methodology, see Klein, Renate Duelli "How To Do What We Want To Do: Thoughts About Feminist Methodology," in Bowles and Klein, eds., Theories of Women's Studies, 1983.

3. The Poverty Game Workshop, Fredericton, March 8, 1987; Women and Housing Pre-conference, Moncton, March 14, 1987; and The Atlantic Women and Housing Conference, Memramcook, April 2-5, 1987.

4. The National Council of Welfare, Women and Poverty, Ottawa, 1979, p. 51.

5. This discussion is based on information from The National Council of Welfare, 1987 Poverty Lines, Ottawa, Minister of Supply and Services, 1987; Ross, David P., The Canadian Fact Book on Poverty - 1983, Toronto, James Lorimer & Company, 1983; and The Canadian Council on Social Development, Not Enough: The Meaning and Measurement of Poverty in Canada, Ottawa, 1984.

6. The National Council of Welfare, 1987, op. cit.

7. Economic Council of Canada. Fifth Annual Review. The Challenge of Growth and Change. Ottawa, Queen's Printer, 1968, p. 104, as quoted in Report of the Royal Commission on the Status of Women in Canada, Minister of Supply and Services Canada, Ottawa, 1970, p. 311.

8. The Canadian Council on Social Development, 1984, op. cit., p. 11.

9. Report of the Royal Commission on the Status of Women in Canada, 1970, op. cit., pp. 311-312; The Canadian Council on Social Development, 1984, op. cit., pp. 13-23; The National Council of Welfare, 1979, op. cit., pp. 7-14.

10. Report of the Royal Commission on the Status of Women in Canada, 1970, op. cit., p. 311.

11. The Canadian Council on Social Development, 1984, op. cit., p. 22.

12. Report of the Royal Commission on the Status of Women in Canada, 1970, op. cit., p. 331.

13. The National Council of Welfare, 1979, op. cit., p. 7.

14. The National Council of Welfare, 1987, op. cit., pp. 6-8.

15. The National of Welfare, 1979, op. cit., p. 25.

16. Abowitz, Deborah A., 1986, op. cit., p. 209.

17. Ehrenreich, Barbara and Frances Fox Piven, "The Feminization of Poverty - When the 'Family-Wage System' Breaks Down," Dissent. Vol. 31, Spring, 1984, p. 162.

18. The Canadian Advisory Council on the Status of Women, As Things Stand. Ottawa, 1983, pp. 35-43.

19. Abowitz, Deborah A., op. cit., p. 210.

20. Baseline Market Research Ltd., A Status Report on the Women in New Brunswick, Fredericton, June 1987.

21. Ibid.

22. Census of Canada, 1981, Catalogue 92-929.

23. Province of New Brunswick, Women's Directorate, Fact Sheets No. 1, August 1986 and No. 2, August 1986.

24. Statistics Canada, Lone Parents in Canada, Ottawa, Minister of Supply and Services, 1984, Table 2.

25. The National Council of Welfare, Progress Against Poverty (revised edition), 1987, Ottawa.

26. Social Welfare Act, Chap. S-11, August, 1982; N.B. Regulation 82-227.

27. Province of New Brunswick, Social Welfare Appeals Board, 1986-87.

28. There were 10,589 female single parents on financial assistance, out of 16,540 families on financial assistance with children at home in October 1986. There are 24,870 single parent families in New Brunswick out of a total of 134,215 families with children at home.

29. Income Maintenance Redesign Project. Report on the Long-Term Social Assistance Client, Section III, 1983, and Report on the Shorter-Term Social Assistance Client, Section III, 1985.

30. Poverty lines for an area of residence with population of 30,000-99,999 were used.

31. Estimates received from groups of single mothers, groups of women on financial assistance and from professionals working in the areas of housing, financial assistance and social work.

32. Albert Aucoin, Canada Mortgage and Housing Corporation, address to Moncton Pre-conference on Housing, March 15, 1987.

33. Saint John Human Development Council broadsheet on homelessness, "Homelessness in New Brunswick: A Shared Responsibility," June, 1987.

34. Claudette Bradshaw, Director, Moncton Headstart - Early Intervention, address to Moncton Pre-conference on Housing, March 15, 1987.

35. Interview with woman receiving financial assistance, August 1987.

36. Interview with woman receiving financial assistance, August 1987.

37. Data provided by Home Economist, Department of Health and Community Services.

38. Albert Aucoin, Canada Mortgage and Housing Corporation, address to Moncton Pre-conference on Housing, March 15, 1987.

39 Data provided by New Brunswick Housing Corporation.

40. Lorne Preston, Atlantic People's Housing, address to Moncton Council of Women, October 26, 1987.

41. New Brunswick Regulation 82-227.

42. To construct Table 10, the basic rates provided for different sized units on the UTP Program were multiplied by .65 to estimate costs of rent. We then compared the amount remaining after paying rent with what it would cost to provide a "nutritious food basket" for the unit according to Agriculture Canada. The nutritious food basket estimates are a regular feature of Agriculture Canada's monthly "Retail Food Price Report". The guide provides estimates of amounts required to provide nutritious food according to age group and sex for each province.

43. Families constructed as follows: (1) Woman, 30-49 years old; (2) Woman, 30-49; boy, 11; (3) Woman 30-49; boy, 11; girl, 8; (4) Woman, 30-49; boy, 11; girl, 8; girl, 9; (5) Woman, 30-49; girl, 2; boy, 3; boy, 6; boy, 11; (6) Woman, 30-49; man, 25-49; girl, 2; boy, 3; boy, 6; boy, 11.

44. Interviews with women receiving financial assistance, August - September, 1987.

45. "Man-in-the-house legislation" commonly refers to social welfare rules that allow for termination of a woman's benefits if she is thought to be living with a man or becomes involved with a man.

46. "Disparate impact" refers to an imbalance, unevenness, or significantly heavier effect of the interpretation of law on one group over another.

47. Orton, Helena, "Man in the House Case," LEAF Letter. No. 3, Spring 1987, pp. 4-5.

48. "Ontario Ends Man-In-Home Rule," Globe and Mail, September 19, 1986; "Man-in-the-House Regulation is Being Reviewed," Times Transcript, September 25, 1987.

49. N.B. Regulation 82-227, September, 1985, Section 3.3.

50. N.B. Regulation 82-227, September, 1985, Section 2.

51. Standing Committee on Public Accounts, January 13, 1987, Tape 17, p. 1.

52. N.B. Regulation 82-227, September 1985, Section 2.

53. Internal Policy 2-zf. Department of Income Assistance.

54. Social Welfare Appeals Board, Annual Report, 1986-87.

55. Information provided by representatives of the Department of Income Assistance.

56. Case information provided by Home Economist, Department of Health and Community Services.

57. Twenty per cent of such income is taken into account. So, if the boarder pays $200 per month, only $40 is counted toward the wage exemption.

58. Practice of one financial officer interviewed.

59. Interview with woman receiving financial assistance, July 1987.

60. N.B. Regulation 82-227, September 1985, Section 2.

61. Government of New Brunswick, Department of Social Services, Quarterly Statistical Bulletin, Vol. 11, No. 4, March 1983.

62. Interview with woman receiving financial assistance, September 1987.

63. Interview with woman receiving financial assistance, July 1987.

64. Interview with former recipient of financial assistance, August 1987.

65. Specimen provided by financial officer, Department of Income Assistance.

66. The nutritious food basket estimates are a regular feature of Agriculture Canada's "Retail Food Price Report", and are used by home economists of the Department of Health and Community Services in planning budgets for families receiving financial assistance.

67. For example, home economists of the Department of Health and Community Services estimate these costs using data from the Diet Dispensary of Montreal.